

**STATE OF HAWAII
DEFERRED COMPENSATION PLAN
BOARD OF TRUSTEES**

**OPEN SESSION MINUTES
MEETING # 371**

Date: January 30, 2013

Place: Department of Human Resources Development
14th Floor Director's Conference Room
235 South Beretania Street
Honolulu, HI 96813

Present: Wayne Chu, Chairperson
Kalbert Young, Ex-Officio Member
Barbara Krieg, Ex-Officio Member
Neal Miyahira, Employee Member
Wesley Machida, Employee Member
Scott Kami, Employee Member
Michael Okumoto, Employee Member

Others: Rodney J. Tam, Deputy Attorney General
Cynthia Akiyoshi, DHRD Staff
David Williams and Andrew Ness, Mercer Investment Consulting
– via conference call
Lisa Hoxha, Great West Retirement Services

Call to Order: There being a quorum present, Chairperson Wayne Chu called the meeting to order at 9:08 a.m.

Agenda: The agenda for this meeting was filed with the Office of the Lieutenant Governor, as required by Hawaii Revised Statutes section 92-7.

Chairperson Chu welcomed Trustees and guests, and asked for introductions of attendees on the conference phone line.

Agenda

Item # 1: Discussion on RFP No. DCP-12-1, For Independent Third Party Administration Services

- a. Best and Final Officers Received
- b. Scoring of Proposals and Award of Contract

A motion was made by Trustee Miyahira and seconded by Trustee Young to move into Executive Session at 9:08 a.m. to discuss procurement matters and to confer with legal counsel. The motion passed unanimously.

All guests were excused from the meeting. Mercer joined the conference call line.

EXECUTIVE SESSION

Meeting

Reconvened: **A motion was made by Trustee Miyahira and seconded by Trustee Machida to move out of Executive Session at 9:58 a.m. The motion passed unanimously.**

A motion was made by Trustee Krieg and seconded by Trustee Machida to adopt the median method of scoring for RFP No. DCP-12-1. The motion passed unanimously.

A motion was made by Trustee Krieg and seconded by Trustee Machida to move into Executive Session at 9:59 a.m. to continue discussion on procurement matters. The motion passed unanimously.

EXECUTIVE SESSION

Meeting

Reconvened: **A motion was made by Trustee Machida and seconded by Trustee Krieg to move out of Executive Session at 11:27 a.m. The motion passed unanimously.**

Agenda

Item # 2: Approval of Minutes No. 365 and 366

Ms. Akiyoshi reported that the draft minutes have not been completed and asked that this item be deferred. The Trustees agreed.

Agenda

Item # 3: Other Business/Announcements

a. Scheduling of Board meetings for 2013

Ms. Akiyoshi confirmed the next scheduled meetings for February 25, 2013 and March 25, 2013. The suggestion to hold pre-scheduled meetings beyond the March 25, 2013 date was set aside due to the upcoming legislative session period.

b. 2013 Legislative Session Initiatives

Ms. Akiyoshi summarized the House and Senate bills that are being monitored. Most bills are related to proposed public meeting and meeting notice requirements. There is one Senate bill that ING is monitoring that would increase the mandatory age for judges from 70 years old to 80 years old. This would require increased monitoring of RMDs within the Plan.

c. 2013 Eddy Award Announcements

Ms. Akiyoshi announced that the Plan has been selected as an award finalist for the 2013 Eddy Awards. A nomination was submitted by ING for the recent "Diversification campaign" held at the Benefits Fair. Ms. Akiyoshi asked for a Trustee to attend the Pensions and Investment East Coast Defined Contribution conference in March to accept the award.

Ms. Akiyoshi also added that Vanguard is having a retirement forum in Hawaii on February 14, 2013, and asked if there were any Trustees interested in attending.

One final announcement, Ms. Akiyoshi reported that Schroder informed us that there was a Schroder employee arrested for insider trading. The incident involved the arrest of a few employees for insider trading activities on their personal accounts; however, this does not impact the Plan. Mercer is aware and did not feel there is any negative impact to the Plan.

Chairperson Chu adjourned the meeting at 11:40 a.m.

(Note: Signed copy on file.)